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U.S. Stressing Allied Unity on West Germany

WASHINGTON—The imminent visit to Washington of John J. McCloy, High Commissioner for Germany, portends a slight change of emphasis in the Administration's policy toward Germany.

Since the Republic came into existence last August and September, the United States, regarding West Germany as a political and strategic barrier to the spread of Russian and Communist influence westward, has successfully urged France and Britain to join in conciliating German Chancellor Konrad Adenauer. This tendency was manifested particularly in the agreement of November 24 between the three High Commissioners and Dr. Adenauer which drastically curtailed the dismantling program.

The United States had already discussed with its partners the possibility of rearming Germany—a prospect which disturbed many Frenchmen but which Dr. Adenauer applauded. High Commissioner McCloy and other American officials reportedly expected that such considerate treatment might give the Germans a sincere interest in cooperating fruitfully with the West. Instead, the period of conciliation by the High Commissioners has been accompanied by a revival of chauvinistic nationalism in the West German Republic, adding to tension in Western Europe. An increasing number of unregenerate Nazis are reported to be gaining political influence, and the trend toward control of the German economy by pre-war leaders of German industry is increasing.*

*See Jane Perry Clark Carey, "Accord on Germany Reflects Uneasy Compromise," *Foreign Policy Bulletin*, December 2, 1949.

The new nationalism is not limited to Nazis and industrialists. The conservatives and the Social Democrats, led by Dr. Kurt Schumacher, manifest the same attitude, which disturbs many Europeans, although some accept it as the inevitable consequence of Germany's basic economic resources and the defiance born of defeat. Secretary of State Dean Acheson told his press conference on January 18 that a great many Germans did not feel that they had any responsibility for the war and believed that the war should have no consequences for them. To restore German-American relations to their proper perspective, State Department officials seem ready to decide that hereafter Western allied policy in Germany will be made more often by the United States, France and Britain than by Dr. Adenauer. At present Mr. McCloy disagrees with other officials, insisting that the outlook for German democracy and international cooperation is good.

Dispute Over Saar

The United States has already shown its impatience with the "Adenauer First" line by supporting to some extent the French policy of integrating the Saarland into France. Although Secretary Acheson, in enunciating the American position at his January 18 press conference, failed to satisfy France completely, his statement did amount to rejection of the claim advanced by Dr. Adenauer on January 15, in his conversation at Bonn with French Foreign Minister Robert Schuman, that the Saar must not be separated from Germany. From the German point of

view, the Saar has become an issue of paramount importance because of the rising sentiment in all parties for German unification and the consequent fear that, if the Bonn government accepts detachment of the Saar by France, it will weaken its position in insisting on revision of the Oder-Neisse line in the East.

The area in dispute, covering 900 square miles inhabited by 850,000 persons, lies between the northeast corner of France and Germany. It is now attached economically to France. The richness of its coal mines explains the importance of the small region to both France and Germany. The two countries have long competed for control of the area. The Treaty of Versailles assigned political supervision of the Saar to the League of Nations and gave title to its coal mines to France, but following a plebiscite in 1935 Germany reintegrated the area into its territory. The iron mines of Lorraine in France complement the coal mines of the Saar. The Nazis, during World War II after the conquest of France, combined the Saar with Lorraine and the Bavarian Palatinate into one province.

Originally part of the French occupation zone in Germany, the Saar since early in 1946 has been administered by France separately from other areas in Germany. The United States has approved this policy for almost four years. In his speech at Stuttgart on September 6, 1946, Secretary of State James F. Byrnes advocated a special status for the Saar under French control. American, British and French representatives at the Foreign Ministers conference in Moscow in

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March-April 1947 authorized economic integration of the Saar into France at least until the negotiation of the peace treaty with Germany.

In June 1947 France extended the boundaries of the Saar eastward and westward. In electing the Landtag in October 1947, the Saarlanders overwhelmingly voted for pro-France candidates. On November 8, 1947, the Landtag adopted a constitution, which went into effect 38 days later, stating that France is responsible for the area's defense and representation abroad and that the Saar is independent of Germany. The West German government now disputes the latter proposition. American, British and French representatives at the Foreign Ministers conference in Paris in November 1949 implied once more their acceptance of the

Saar's detachment from Germany by agreeing that the area was eligible for membership in the Council of Europe—a decision then approved by Dr. Adenauer.

United States Wants Harmony

Secretary Acheson's statement on the Saar and the decision to reconsider policy toward West Germany probably do not mean, however, that the United States intends henceforth to deal sternly with the regime of Dr. Adenauer. Interest in a policy of rearming Germany still seems to be lively in Washington. What the Administration apparently wants is to find a method of reconciling the interests of France, Britain and West Germany without continuing to require that France and Britain unconditionally accept the demands of Dr. Adenauer. In un-

derlining the desirability of harmonious accommodation in Western Europe, Mr. Acheson caused some French criticisms for advocating in his Saar statement that the French government take no stand which would heighten the differences between France and West Germany. Hope is rising here and in some foreign circles that the solvent for German nationalism may be West German participation in the Council of Europe, where the representative of Dr. Adenauer, or his successor, could discuss the problems of Germany in common with the problems and aspirations of France and other European nations. The Council, however, lacks power to put its recommendations into effect.

BLAIR BOLLES

Decisive Test Between East and West Looms in Asia

Since the first of the year fast-moving developments that form part of an over-all Russian policy have been a subject of speculation in Western capitals. Chief among these are the refusal of the U.S.S.R. to participate in the work of United Nations agencies unless Dr. T. T. F. Tsiang, representative of the Nationalist government serving this month as president of the Security Council, is replaced by a representative of the Chinese Communist regime; the Communist occupation of portions of Western embassies in Peiping once used, under unequal treaties, as barracks for foreign troops; the blunt Bulgarian note of January 19 demanding the recall of the American Minister, Donald R. Heath; the prompt steps taken by the Peiping regime to recognize the Viet Nam regime of Ho Chi-minh in Indo-China and to assert its influence over Tibet.

Moscow's Motives

One interpretation is that the U.S.S.R., checked in Europe by Washington's "containment" policy, is now raising drawbridges along its European line of demarcation with the West, determined to prevent further contacts with Western countries that might encourage the spread of Titoism in Eastern Europe and the Balkans. Meanwhile, it is contended, the Kremlin is trying to balance off its losses in Europe by accelerating the revolutionary process in Asia, from which it hopes to exclude the Western powers by a series of annoyances calculated to in-

fluence American opinion against the Chinese Communists.

There is little doubt that the Soviet government has been greatly embarrassed by the continued defiance of Marshal Tito—which took Washington as much by surprise as it did Moscow. Further attempts to distinguish, as Tito did, between the philosophy of communism and the imperialism of the Russian national state might drive a wedge between Russia and other Communist-ruled countries, including China. Secretary of State Acheson, in his National Press Club speech of January 12 on American policy in China, probed this chink in Russia's armor by mentioning Soviet efforts to "detach" Outer Mongolia, Inner Mongolia, Sinkiang and Manchuria from China. (Two days later Angus Ward, former Consul General in Mukden, just back in Washington, said he believed Russia's policy was one of economic penetration, rather than political detachment, of these areas.) Thus the State Department recognized that Russian national aspirations, and not communism alone, is an important component of Soviet foreign policy.

Mr. Acheson's reference to Russia's imperialism along China's border was vigorously denied in Peiping and brought fiery denunciation from Russian Foreign Minister Vishinsky, who on January 20 asserted that the Secretary of State was trying to blame Russia for the failure of the United States in Asia. The results of the month-long Stalin-Mao negotiations in Moscow, now reportedly drawing to a

close, will show the degree to which the Kremlin has found it possible to reconcile in Asia what it regards as Russia's national interests with the larger objectives of international communism. An inkling of one aspect of the Moscow decisions was given on January 22, when the Peiping regime announced that it had placed its Northwest region under a new regional government whose administrative control will include Sinkiang—an area Mr. Acheson mentioned as being "detached" by the U.S.S.R.

Isolation For Whom?

It is too early, however, to conclude that the Soviet leaders are simply planning to isolate themselves within the area reaching from the Oder to the Pacific which they control in varying degrees. On the contrary, if the West does not do some quick and imaginative thinking, it may find itself isolated by a considerably enlarged Eastern bloc. Hitherto, advocates here of non-recognition of the Chinese Communists have assumed that sooner or later the Peiping regime, finding Russia incapable of furnishing technical aid and equipment needed for China's industrialization, would have to turn to the United States. Is this a sound assumption? Aside from the capacity of Britain, which lost no time in recognizing Peiping, to supply some of China's needs, a larger opportunity is being hinted at. This is the possibility that Russia might invite Western Germany, already looking about for export outlets, to provide technicians and

machinery for the industrialization of China. Such an invitation could not be lightly disregarded by any German government, whether controlled by industrialists hostile to communism, or by Communists.

The real contest between the United States and the U.S.S.R., so far only adumbrated in Europe, has now begun in earnest in Asia. This contest may some day take a military form; but today it revolves around the capacity of the two superpowers to advance the development of nonindustrialized areas which until now have been pawns of great-power politics, and to do so without using the methods of old-fashioned imperialism. In Europe the contest, although often tense, was waged under conditions unfavorable to Russia, for except in the borderlands Moscow was confronted with highly developed institutions and advanced standards of living which it could not match, let alone improve. The situation is radically different in Asia, where the Western colonial powers had without doubt done much to develop natural resources and maintain order but had not yet suc-

ceeded in overcoming their own racial prejudices or made sufficient progress in meeting the natives' desire for economic and social improvements.

What U.S. Can Do

If Russia wins in Asia, this will be due far less to its own shrewdness or ability than to the default of the West. We are now contending with the Russians for the sympathy and loyalty not of Western Europe, where we had an initial "members-of-the-same-club" advantage, but in the vast sector of the world that is nonwhite, and for the most part unfamiliar with Western traditions. It is peculiarly tragic that this contest should occur at a time when a new drive for assertion of "white supremacy" is being launched in our own South. In the struggle for Asia our civil rights program is no longer an academic issue whose solution can await prolonged debates. It is an integral part of our policy in Asia; and Southern leaders who are striving to correct inequalities are serving the best interests of this country.

Henceforth, more than ever, the United

States will be carefully watched throughout the world not only for its avowed objectives but for the methods by which it seeks to achieve these objectives. It is significant that the two neighbors of the U.S.S.R.—Finland and Yugoslavia—which have not hesitated to take an independent stand in spite of the pressures to which they have been subjected from Moscow have done so without scrapping their own particular internal systems, and without seeking protection against Russia by turning to the extreme Right. It therefore seemed disturbing when one of the first newspaper reports from Belgrade following the arrival of the new American ambassador, George V. Allen, indicated the belief of anti-Tito groups that the United States would now help them to return to power. The U.S.S.R., by many of its post-war actions, has suffered a great loss of prestige. The important thing for the United States is not to view this loss with complacency but to enhance its own prestige by avoidance of actions that can be interpreted abroad as support of reactionary forces.

VERA MICHELES DEAN

Socialism Only One Issue in British Elections

The British general election scheduled for February 23 looms large on the political horizon not only in Britain but in the United States and elsewhere. Even as election agents make their rounds ringing doorbells in the English shires, London, Glasgow and the Rhondda valley, commentators are preparing the American people for what they call one of the world's most important political tests this year. Socialism is on trial. How Britain votes is being watched as a token confirming or denying the trend of the New Zealand and Australian elections last November and December when their Labor governments were defeated.

The British Alternatives

This line of reasoning, while true enough in one sense, is misleading in others. It is true that the British labor party is socialist—that, in the words of its 1945 election manifesto, it is "proud" of its socialism. But it is not true that the British people have a clear and distinct alternative to turn to in the Conservative party. If they vote Winston Churchill and his followers into office on February 23, they will be assured a halt in the extensive nationalization program which Labor has

enacted in the last four and a half years and proposes to continue in a more modest installment if re-elected. But they will not be assured any major reduction of the government's role in economic affairs, any large slash in the social services, any startling return to competitive enterprise within the British economy or any reversal of Britain's foreign trade policy. Thus it is hard to believe that Britain under a Conservative government would act very differently than Britain does now in relation to its balance-of-payments problem or efforts to integrate its economy with that of the rest of Western Europe.

The issue of "more socialism or less" that has become of the focus of world attention therefore centers largely on the issue of more or less nationalization. This is predominantly a domestic issue, for it is doubtful whether the Labor government's nationalization program has yet made an impact, either favorable or unfavorable, on the nation's trading position. There are indications also that the British voters themselves—or that portion of them who may be expected to tip the electoral scales—are not greatly excited over who shall own the steel industry. Present living conditions, the govern-

ment's successes and shortcomings in recovery and the kind of national life being molded by the numerous post-war reforms are the most direct and tangible issues calling forth campaign oratory.

Moreover, recently the pace of Labor's nationalization schedule has been visibly retarded, despite the party's professed desire for the "common ownership of the means of production, distribution and exchange." Since coming to power in 1945, the Attlee government has nationalized the Bank of England, the coal mines, the transportation system, the gas and electricity industries and civil aviation. It has also passed a bill to nationalize the iron and steel industry but has left the actual implementation of this measure until after the coming election.

To this formidable array, the party in its latest election manifesto, *Let Us Win Through Together*, issued on January 17, proposed the nationalization of water supplies, sugar refining, cement manufacture and possibly parts of the chemical industry, meat packing and food distribution. One reason given for the modesty of this dose of public ownership is the need to "digest" the basic industries already nationalized.

In this respect that Conservative appeal to the voters is not that the Tories will turn back these enterprises to private ownership but that they will run them more efficiently. *The Right Road For Britain*, the Conservative statement of policy issued last July, pledged the party to repeal the iron and steel bill. It also proposed "de-nationalizing" long-distance trucking and the Liverpool Cotton Exchange which has been government-operated during and since the war. For coal, the railways, civil aviation, gas and electricity, however, the party promised administrative reforms, including a greater degree of decentralization, and a periodic review of the operation of each industry.

Otherwise the Conservative statement adheres to many of the same principles stressed by Labor—full employment, government planning, subsidies for farmers, continued social services, more houses. It emphasizes the need for the progressive reduction of government controls while recognizing the necessity of continuing some of them "during the period of crisis." It urges reductions in income taxes as a means of restoring greater incentives to the British economy but, aside from eliminating the "extravagance and waste" of the Labor government, finds few places in which to slash the budget. If the gravest charge that can be laid to the Attlee government is that it tried to do too much with Britain's post-war resources, Conservative policy statements indicate that the picture would not have been substantially different had the electoral verdict of 1945 gone in favor of Mr. Churchill.

Conservative Trade Policy

Although the outside world tends to see the British campaign as a struggle between Left and Right, it is also doubtful whether a Conservative victory would break down what is regarded abroad as British reluctance to carry out more liberal trade policies. If a section of the Labor party has been preoccupied with insulating Britain's planned economy from the boom and slump of capitalism, the Conservatives have shown, both in pre-war practice and post-war aspiration, a tendency to favor closely guarded preferential trade within the British Common-

wealth and Empire. Thus the party's statement of policy declares that a Conservative government "will offer Empire producers of food and raw materials a place in the United Kingdom market second only to that of home producers. It will reserve the right to maintain whatever preferences or other special arrangements with Empire countries may be considered necessary for this purpose."

Nationalization; the planned economy, Britain's efficiency as an exporter are real enough issues in the current campaign. But like all campaigns, British electioneering sometimes seems to obscure the more basic questions with trivial ones. The question of individual freedom is being argued heatedly on both sides—whether Tate and Lyle, the sugar refining firm threatened with nationalization, shall have the right to stamp their containers with anti-nationalization slogans and—a point raised by one British housewife—whether the consumer has the right to purchase sugar unaccompanied by a statement with which he disagrees. This at least indicates that the contest is a democratic one, suggesting, if nothing else, that the British road to socialism is not a precipitous slope to totalitarianism from which there is no turning back.

WILLIAM W. WADE

(This is the first of three articles on prospects for the British general election.)

Branch and Affiliate Meetings

*BOSTON, January 26, *Current Problems in Germany*, John J. McCloy

*NEW YORK, January 27, *The Economic Situation in the Near East*, Gordon R. Clapp

*CLEVELAND, January 28, *The People's Stake in the Bold New Program*, Shepherd L. Witman, Samuel P. Hays, Jr., Manuel Perez-Geurrera, Lauriston Sharp,

BETHLEHEM, January 31, *The Individual in World Affairs*, Vera M. Dean

WORCESTER, January 31, *Report From Germany*, Jane Perry Clark Carey, Delbert Clark

RHODE ISLAND, February 1, *Trusteeships in the Pacific Area*, George W. L. Townsend

*Data taken from printed announcement.

News in the Making

A RENT IN THE IRON CURTAIN?: Press reports from Kabul on January 22 indicate that Afghanistan may be turning to the Soviet Union, its traditional enemy, for assistance in its struggle with Pakistan. Kabul has been supporting an autonomy movement among the wild tribesmen of the Northwest Frontier, who control the Khyber Pass, historic route for invasions of India. The Afghans challenge the legality of the British transfer of this strategic area to Pakistan.

CALIFORNIA OPINION ON CHINA: According to a report published this month, a majority of the 572 conferees at the third annual conference of the World Affairs Council of Northern California, on *Facing the Facts in China*, concluded "that the United States should follow a policy which will insure maintaining contact with the Chinese people. This may involve relations with the Chinese Communists on a selective basis, with due allowance for the dangers inherent in dealing with a Communist regime."

FINLAND STANDS FIRM: In the first presidential poll since 1937, the Finns on January 16 and 17 chose 300 electors who, on February 15, will officially select the President. The vote indicated that President Juho K. Paasikivi, candidate of the moderate conservatives and the Social Democrats, will remain in office for a six-year term. Paasikivi was opposed by the Communists, and by the Agrarians on the extreme Right. The vote, however, revealed an increase in Communist strength, with the final figure as follows: Conservatives 68; Communists 67; Social Democrats 64; Agrarians 62; Swedish party 24; and Liberals 15.

CARIBBEAN CONFERENCE: A two-way discussion of Caribbean problems between State Department personnel, headed by Assistant Secretary of State Edward G. Miller, Jr., and the United States ambassadors to twelve Middle American countries, ranging from coffee to conspiracies, has just closed in Havana, Cuba. No major change in policy is anticipated, but a more intensive effort will probably be made to impress on Latin America our views regarding foreign aid.